

NOVEMBER 28, 2017, MEETING MINUTES
OF THE HEARING EXAMINER PUBLIC MEETING
FOR DOCKET NO. 2017-029 CAUSE NO. 139-152
BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
IN AND FOR THE STATE OF UTAH



A public meeting will be held on TUESDAY, NOVEMBER 28, 2017, at 10:00 a.m., in Room 1005 of the Department of Natural Resources, 1594 West North Temple, Salt Lake City, Utah. The meeting will be streamed live on the Department of Natural Resources YouTube channel. The link for the Hearing Examiner Meeting is https://youtu.be/bemkes-du_o.

ATTENDEES:

Hearing Examiner:

John C. Rogers, Assoc. Director, Oil and Gas, Utah Division of Oil, Gas and Mining.

Utah Attorney Generals's Office:

Meg Osswald, AAG, attorney for the Hearing Examiner

Steven F. Alder, AAG, attorney for the Division of Oil, Gas and Mining

Beatty & Wozniak, P.C

David P. Bolda, Esq., attorney for Axia Energy II, LLC

Axia Energy II, LLC

Leslie Gadd, Landman, appearing via video-conference

Taryn Frenzel, Vice President of Completions and Engineering, appearing via video conference

Division of Oil, Gas and Mining

John R. Baza, Director

Natasha Ballif, Administrative Assistant

Hollie Brown, Public Information Officer

Julie Ann Carter, Board Secretary

Dustin Doucet, Petroleum Engineer

Dayne Doucet, Petroleum Engineer

Brad Hill, Permit Manager, Oil and Gas

Josh Payne, Compliance Officer

Tom Thompson, Audio-Visual Services

Department of Natural Resources

Paul Gedge, Audio-Visual Services

Bureau of Land Management

Kahindo Kamau

Alpine Court Reporting
Michelle Mallonee, CSR

Members of the Public:
None present.

The Board of Oil, Gas and Mining (“Board”), State of Utah, pursuant to Utah Administrative Code R641-113-100, has designated a hearing examiner to conduct the hearing.

The Hearing Examiner, Mr. John C. Rogers, called the meeting to order at 10:45 a.m. The hearing had been scheduled to begin at 10:00 a.m., but was delayed for 45 minutes due to a fire alarm that occurred at Axia’s office in Colorado, which is the location from which Axia’s witnesses were telecommuting.

1. [Docket No. 2017-029 Cause No. 139-152](#) – In the matter of the Request for Agency Action of AXIA ENERGY II, LLC for an order pooling all interests, including the compulsory pooling of the interests of certain non-consenting and unlocatable owners, within four 1,280-acre drilling units (for five wells) established for the production of oil, gas and associated hydrocarbons from the Lower Green River-Wasatch (Colton) Formations, comprised of all of Sections 26 and 35, and 27 and 34 of Township 2 South, Range 1 West, U.S.M., Uintah and Duchesne Counties; and Sections 26 and 35 and 27 and 34 of Township 2 South, Range 2 West, U.S.M., Duchesne County, Utah.

(The Board will consider the recommended findings of fact and conclusions of law generated by the hearing examiner at the December 6, 2017, Board Hearing.)

Time: 10:45 a.m. to 12:26 p.m.

Hearing Examiner: John C. Rogers, Hearing Examiner, Assoc. Director, Oil and Gas, Utah Division of Oil, Gas and Mining.

Counsel for the Hearing Examiner: Meg Osswald, Assistant Attorney General, Natural Resources Division.

Counsel for the Division: Steven F. Alder, Assistant Attorney General, Natural Resources Division.

Witness: Dustin Doucet.

Counsel for the Petitioner: David P. Bolda, Esq., Beatty & Wozniak, P.C., Attorney for Axia Energy II, LLC

Witnesses: Leslie Gadd, and Taryn Frenzel. The witnesses participated via video conference.

Please note: The transcript for this matter will be available for review at the Division offices approximately fifteen business days after the hearing date. Copies of individual transcripts

may be purchased from Alpine Court Reporting, 243 East 400 South, Suite 101B, Salt Lake City, Utah 84111, ph.: 801-691-1000.

The Petitioner gave testimony and evidence in support of the Request for Agency Action for this matter. The Petitioner requested a 300% non-consent penalty. There was a discussion regarding the deadline for interest owners to lease and it was decided that the Petitioner will allow interest owners to continue to lease, and will file updated exhibits as needed if more people lease to participate, by December 4, 2017. The Petitioner was unable to file a complete exhibit for Exhibit YYY because the Affidavit of Publication for the Vernal Express had not been received in advance of the hearing date. The Petitioner will file the Affidavit as soon as it is received.

The Hearing Officer supports this matter. Mr. David Bolda was asked to prepare the Proposed Order. The Board will consider the recommended findings of fact and conclusions of law at the December 6, 2017, Board Hearing.

The meeting adjourned at 12:26 p.m.